

tory institutions or the Deposit Insurance Fund or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

(2) Review

The Federal Deposit Insurance Corporation shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including the avoidance of any adverse effect referred to in paragraph (1)(B); and

(B) modify or eliminate any such restriction or requirement the Corporation finds is no longer required for such purposes.

(Pub. L. 106–102, title I, §114, Nov. 12, 1999, 113 Stat. 1369; Pub. L. 109–173, §9(i), Feb. 15, 2006, 119 Stat. 3618.)

Editorial Notes

REFERENCES IN TEXT

This Act and the Act, referred to in text, probably are references to Pub. L. 106–102, Nov. 12, 1999, 113 Stat. 1338, known as the Gramm-Leach-Bliley Act. For complete classification of this Act to the Code, see Short Title of 1999 Amendment note set out under section 1811 of this title and Tables.

Title LXII of the Revised Statutes, referred to in subsec. (a)(1)(A), consists of R.S. §§5133 to 5244, which are classified to sections 16, 21, 22 to 24a, 25a, 25b, 26, 27, 29, 35 to 37, 39, 43, 52, 53, 55 to 57, 59 to 62, 66, 71, 72 to 76, 81, 83 to 86, 90, 91, 93, 93a, 94, 141 to 144, 161, 164, 181, 182, 192 to 194, 196, 215c, 481 to 485, 501, 541, 548, and 582 of this title. See, also, sections 8, 333, 334, 475, 656, 709, 1004, and 1005 of Title 18, Crimes and Criminal Procedure. For complete classification of R.S. §§5133 to 5244 to the Code, see Tables.

The Bank Holding Company Act of 1956, referred to in subsec. (b)(2)(A), (4)(A), is act May 9, 1956, ch. 240, 70 Stat. 133, which is classified principally to chapter 17 (§1841 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1841 of this title and Tables.

The Federal Reserve Act, referred to in subsec. (b)(2)(A), (4)(A), is act Dec. 23, 1913, ch. 6, 38 Stat. 251, which is classified principally to chapter 3 (§221 et seq.) of this title. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

The Federal Deposit Insurance Act, referred to in subsec. (c)(1)(A), is act Sept. 21, 1950, ch. 967, §2, 64 Stat. 873, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1811 of this title and Tables.

CODIFICATION

Section was enacted as part of the Gramm-Leach-Bliley Act, and not as part of the Federal Deposit Insurance Act which comprises this chapter.

AMENDMENTS

2006—Subsecs. (a)(1)(B), (b)(2)(B), (4)(B), (c)(1)(B). Pub. L. 109–173 substituted “the Deposit Insurance Fund” for “any Federal deposit insurance fund”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–173 effective Mar. 31, 2006, see section 9(j) of Pub. L. 109–173, set out as a note under section 24 of this title.

EFFECTIVE DATE

Section effective 120 days after Nov. 12, 1999, see section 161 of Pub. L. 106–102, set out as an Effective Date of 1999 Amendment note under section 24 of this title.

§ 1828b. Interagency data sharing

(a) In general

To the extent not prohibited by other law, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System shall make available to the Attorney General and the Federal Trade Commission any data in the possession of any such banking agency that the antitrust agency deems necessary for antitrust review of any transaction requiring notice to any such antitrust agency or the approval of such agency under section 1842 or 1843 of this title, section 1828(c) of this title, the National Bank Consolidation and Merger Act [12 U.S.C. 215 et seq.], section 1467a of this title, or the antitrust laws.

(b) Confidentiality requirements

(1) In general

Any information or material obtained by any agency pursuant to subsection (a) shall be treated as confidential.

(2) Procedures for disclosure

If any information or material obtained by any agency pursuant to subsection (a) is proposed to be disclosed to a third party, written notice of such disclosure shall first be provided to the agency from which such information or material was obtained and an opportunity shall be given to such agency to oppose or limit the proposed disclosure.

(3) Other privileges not waived by disclosure under this section

The provision by any Federal agency of any information or material pursuant to subsection (a) to another agency shall not constitute a waiver, or otherwise affect, any privilege any agency or person may claim with respect to such information under Federal or State law.

(4) Exception

No provision of this section shall be construed as preventing or limiting access to any information by any duly authorized committee of the Congress or the Comptroller General of the United States.

(c) Banking agency information sharing

The provisions of subsection (b) shall apply to—

(1) any information or material obtained by any Federal banking agency (as defined in section 1813(z) of this title) from any other Federal banking agency; and

(2) any report of examination or other confidential supervisory information obtained by any State agency or authority, or any other person, from a Federal banking agency.

(Pub. L. 106–102, title I, §132, Nov. 12, 1999, 113 Stat. 1382.)

Editorial Notes

REFERENCES IN TEXT

The National Bank Consolidation and Merger Act, referred to in subsec. (a), is act Nov. 7, 1918, ch. 209, as added by Pub. L. 86-230, §20, Sept. 8, 1959, 73 Stat. 460, which is classified generally to subchapter XVI (§215 et seq.) of chapter 2 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 215 of this title and Tables.

CODIFICATION

Section was enacted as part of the Gramm-Leach-Bliley Act, and not as part of the Federal Deposit Insurance Act which comprises this chapter.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 120 days after Nov. 12, 1999, see section 161 of Pub. L. 106-102, set out as an Effective Date of 1999 Amendment note under section 24 of this title.

§ 1829. Penalty for unauthorized participation by convicted individual**(a) Prohibition****(1) In general**

Except with the prior written consent of the Corporation—

(A) any person who has been convicted of any criminal offense involving dishonesty or a breach of trust or money laundering, or has agreed to enter into a pretrial diversion or similar program in connection with a prosecution for such offense, may not—

(i) become, or continue as, an institution-affiliated party with respect to any insured depository institution;

(ii) own or control, directly or indirectly, any insured depository institution; or

(iii) otherwise participate, directly or indirectly, in the conduct of the affairs of any insured depository institution; and

(B) any insured depository institution may not permit any person referred to in subparagraph (A) to engage in any conduct or continue any relationship prohibited under such subparagraph.

(2) Minimum 10-year prohibition period for certain offenses**(A) In general**

If the offense referred to in paragraph (1)(A) in connection with any person referred to in such paragraph is—

(i) an offense under—

(I) section 215, 656, 657, 1005, 1006, 1007, 1008,¹ 1014, 1032, 1344, 1517, 1956, or 1957 of title 18; or

(II) section 1341 or 1343 of such title which affects any financial institution (as defined in section 20 of such title); or

(ii) the offense of conspiring to commit any such offense,

the Corporation may not consent to any exception to the application of paragraph (1) to such person during the 10-year period begin-

ning on the date the conviction or the agreement of the person becomes final.

(B) Exception by order of sentencing court**(i) In general**

On motion of the Corporation, the court in which the conviction or the agreement of a person referred to in subparagraph (A) has been entered may grant an exception to the application of paragraph (1) to such person if granting the exception is in the interest of justice.

(ii) Period for filing

A motion may be filed under clause (i) at any time during the 10-year period described in subparagraph (A) with regard to the person on whose behalf such motion is made.

(b) Penalty

Whoever knowingly violates subsection (a) shall be fined not more than \$1,000,000 for each day such prohibition is violated or imprisoned for not more than 5 years, or both.

[See main edition for text of (a) and (b)]

(c) Exceptions**(1) Certain older offenses****(A) In general**

With respect to an individual, subsection (a) shall not apply to an offense if—

(i) it has been 7 years or more since the offense occurred; or

(ii) the individual was incarcerated with respect to the offense and it has been 5 years or more since the individual was released from incarceration.

(B) Offenses committed by individuals 21 or younger

For individuals who committed an offense when they were 21 years of age or younger, subsection (a) shall not apply to the offense if it has been more than 30 months since the sentencing occurred.

(C) Limitation

This paragraph shall not apply to an offense described under subsection (a)(2).

(2) Expungement and sealing

With respect to an individual, subsection (a) shall not apply to an offense if—

(A) there is an order of expungement, sealing, or dismissal that has been issued in regard to the conviction in connection with such offense; and

(B) it is intended by the language in the order itself, or in the legislative provisions under which the order was issued, that the conviction shall be destroyed or sealed from the individual's State, Tribal, or Federal record, even if exceptions allow the record to be considered for certain character and fitness evaluation purposes.

(3) De minimis exemption**(A) In general**

Subsection (a) shall not apply to such de minimis offenses as the Corporation determines, by rule.

¹ See References in Text note below.

(B) Confinement criteria

In issuing rules under subparagraph (A), the Corporation shall include a requirement that the offense was punishable by a term of three years or less confined in a correctional facility, where such confinement—

(i) is calculated based on the time an individual spent incarcerated as a punishment or a sanction, not as pretrial detention; and

(ii) does not include probation or parole where an individual was restricted to a particular jurisdiction or was required to report occasionally to an individual or a specific location.

(C) Bad check criteria

In setting the criteria for de minimis offenses under subparagraph (A), if the Corporation establishes criteria with respect to insufficient funds checks, the Corporation shall require that the aggregate total face value of all insufficient funds checks across all convictions or program entries related to insufficient funds checks is \$2,000 or less.

(D) Designated lesser offenses

Subsection (a) shall not apply to certain lesser offenses (including the use of a fake ID, shoplifting, trespass, fare evasion, driving with an expired license or tag, and such other low-risk offenses as the Corporation may designate) if 1 year or more has passed since the applicable conviction or program entry.

(d) Bank holding companies**(1) In general**

Subsections (a) and (b) shall apply to any company (other than a foreign bank) that is a bank holding company and any organization organized and operated under section 25A of the Federal Reserve Act [12 U.S.C. 611 et seq.] or operating under section 25 of the Federal Reserve Act [12 U.S.C. 601 et seq.], as if such bank holding company or organization were an insured depository institution, except that such subsections shall be applied for purposes of this subsection by substituting “Board of Governors of the Federal Reserve System” for “Corporation” each place that term appears in such subsections.

(2) Authority of Board

The Board of Governors of the Federal Reserve System may provide exemptions, by regulation or order, from the application of paragraph (1) if the exemption is consistent with the purposes of this subsection.

(e) Savings and loan holding companies**(1) In general**

Subsections (a) and (b) shall apply to any savings and loan holding company as if such savings and loan holding company were an insured depository institution, except that such subsections shall be applied for purposes of this subsection by substituting “Board of Governors of the Federal Reserve System” for “Corporation” each place that term appears in such subsections.

(2) Authority of Director

The Board of Governors of the Federal Reserve System may provide exemptions, by regulation or order, from the application of paragraph (1) if the exemption is consistent with the purposes of this subsection.

[See main edition for text of (d) and (e)]

(f) Consent applications**(1) In general**

The Corporation shall accept consent applications from an individual and from an insured depository institution or depository institution holding company on behalf of an individual that are filed separately or contemporaneously with a regional office of the Corporation.

(2) Sponsored applications filed with regional offices

Consent applications filed at a regional office of the Corporation by an insured depository institution or depository institution holding company on behalf of an individual—

(A) shall be reviewed by such office;

(B) may be approved or denied by such office, if such authority has been delegated to such office by the Corporation; and

(C) may only be denied by such office if the general counsel of the Corporation (or a designee) certifies that the denial is consistent with this section.

(3) Individual applications filed with regional offices

Consent applications filed at a regional office by an individual—

(A) shall be reviewed by such office; and

(B) may be approved or denied by such office, if such authority has been delegated to such office by the Corporation, except with respect to—

(i) cases involving an offense described under subsection (a)(2); and

(ii) such other high-level security cases as may be designated by the Corporation.

(4) National office review

The national office of the Corporation shall—

(A) review any consent application with respect to which a regional office is not authorized to approve or deny the application; and

(B) review any consent application that is denied by a regional office, if the individual requests a review by the national office.

(5) Forms and instructions**(A) Availability**

The Corporation shall make all forms and instructions related to consent applications available to the public, including on the website of the Corporation.

(B) Contents

The forms and instructions described under subparagraph (A) shall provide a sample cover letter and a comprehensive list of items that may accompany the application, including clear guidance on evidence that may support a finding of rehabilitation.

(6) Consideration of criminal history**(A) Regional office consideration**

In reviewing a consent application, a regional office shall—

- (i) primarily rely on the criminal history record of the Federal Bureau of Investigation; and
- (ii) provide such record to the applicant to review for accuracy.

(B) Certified copies

The Corporation may not require an applicant to provide certified copies of criminal history records unless the Corporation determines that there is a clear and compelling justification to require additional information to verify the accuracy of the criminal history record of the Federal Bureau of Investigation.

(7) Consideration of rehabilitation

Consistent with title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), the Corporation shall—

(A) conduct an individualized assessment when evaluating consent applications that takes into account evidence of rehabilitation, the applicant's age at the time of the conviction or program entry, the time that has elapsed since conviction or program entry, and the relationship of individual's² offense to the responsibilities of the applicable position;

(B) consider the individual's employment history, letters of recommendation, certificates documenting participation in substance abuse programs, successful participating in job preparation and educational programs, and other relevant mitigating evidence; and

(C) consider any additional information the Corporation determines necessary for safety and soundness.

(8) Scope of employment

With respect to an approved consent application filed by an insured depository institution or depository institution holding company on behalf of an individual, if the Corporation determines it appropriate, such approved consent application shall allow the individual to work for the same employer (without restrictions on the location) and across positions, except that the prior consent of the Corporation (which may require a new application) shall be required for any proposed significant changes in the individual's security-related duties or responsibilities, such as promotion to an officer or other positions that the employer determines will require higher security screening credentials.

(9) Coordination with the NCUA

In carrying out this section, the Corporation shall consult and coordinate with the National Credit Union Administration as needed to promote consistent implementation where appropriate.

(g) Definitions

In this section:

(1) Consent application

The term “consent application” means an application filed with Corporation² by an individual (or by an insured depository institution or depository institution holding company on behalf of an individual) seeking the written consent of the Corporation under subsection (a)(1).

(2) Criminal offense involving dishonesty

The term “criminal offense involving dishonesty”—

(A) means an offense under which an individual, directly or indirectly—

- (i) cheats or defrauds; or
- (ii) wrongfully takes property belonging to another in violation of a criminal statute;

(B) includes an offense that Federal, State, or local law defines as dishonest, or for which dishonesty is an element of the offense; and

(C) does not include—

- (i) a misdemeanor criminal offense committed more than one year before the date on which an individual files a consent application, excluding any period of incarceration; or
- (ii) an offense involving the possession of controlled substances.

(3) Pretrial diversion or similar program

The term “pretrial diversion or similar program” means a program characterized by a suspension or eventual dismissal or reversal of charges or criminal prosecution upon agreement by the accused to restitution, drug or alcohol rehabilitation, anger management, or community service.

(Sept. 21, 1950, ch. 967, §2[19], 64 Stat. 893; Pub. L. 101-73, title IX, §910(a), Aug. 9, 1989, 103 Stat. 477; Pub. L. 101-647, title XXV, §2502(a), Nov. 29, 1990, 104 Stat. 4860; Pub. L. 102-550, title XV, §1505, Oct. 28, 1992, 106 Stat. 4055; Pub. L. 103-322, title XXXII, §320605, Sept. 13, 1994, 108 Stat. 2119; Pub. L. 109-351, title VII, §710(a), Oct. 13, 2006, 120 Stat. 1990; Pub. L. 111-203, title III, §363(8), July 21, 2010, 124 Stat. 1554; (As amended Pub. L. 117-263, div. E, title LVII, §5705(a), Dec. 23, 2022, 136 Stat. 3411.)

Editorial Notes**REFERENCES IN TEXT**

Section 1008 of title 18, referred to in subsec. (a)(2)(A)(i)(I), was repealed by Pub. L. 101-73, title IX, §961(g)(1), Aug. 9, 1989, 103 Stat. 500.

Sections 25 and 25A of the Federal Reserve Act, referred to in subsec. (d)(1), are classified to subchapters I (§601 et seq.) and II (§611 et seq.), respectively, of chapter 6 of this title.

The Civil Rights Act of 1964, referred to in subsec. (f)(7), is Pub. L. 88-352, July 2, 1964, 78 Stat. 241. Title VII of the Act is classified generally to subchapter VI (§2000e et seq.) of chapter 21 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of Title 42 and Tables.

AMENDMENTS

2022—Subsec. (c). Pub. L. 117-263, §5705(a)(1), added subsec. (c).

² So in original. Probably should be preceded by “the”.